Foreign CROPS AND MARKETS

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Growth Through Agricultural Progress

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CAMEROUN FACES
COFFEE SURPLUS

Cameroun, like many other coffee-producing countries, is suffering from the depressing effects of a huge world coffee surplus on its coffee prices and sales prospects.

Coffee ranks second only to cocoa among Cameroun exports and accounts for over 20 percent of total foreign exchange earnings. Both the Arabica and Robusta varieties of coffee are produced, with Robusta accounting for about 85 percent of the 36,000 metric tons produced annually. Little difficulty is being experienced in marketing Arabica production. Stocks of Robusta, however, have been accumulating during the past year, and the 50,000-bag carryover at the end of the 1959-60 year is expected to double by the end of the 1960-61 year.

In the past, the Coffee Stabilization Fund has been able to avoid financial deficits, but the coffee surplus will almost certainly cause a monetary shortage unless support prices are reduced. In anticipation of increased financial problems, the Coffee Stabilization Fund has borrowed 200 million francs CFA (U.S. $81,866) from the Cocoa Stabilization Fund.

AUSTRALIA RAISES TOBACCO MIXING REQUIREMENT

Effective July 1, 1962, Australian tobacco manufacturers must use more domestic tobacco in their products to qualify for duty concessions on the imported portion of leaf they use.

A minimum of 43-percent domestic tobacco must be used in cigarettes and 40 percent in smoking tobacco, according to the Australian Minister of Customs and Excise. For the year beginning July 1, 1961, the corresponding percentages are 35 and 32, respectively.

COLOMBIA'S TOBACCO EXPORTS SET RECORD

Colombia exported a record quantity of tobacco last year.

Exports at 14.0 million pounds, were 29 percent larger than in 1959. The average value per pound was equivalent to 17 U.S. cents.

West Germany, as usual, was the largest market for Colombian leaf tobacco in 1960, taking 6.9 million pounds--about half the total. France was the second-ranking market, with purchases of 1.6 million pounds. In third position, the United States bought 1.5 million pounds, presumably tobacco to be used as cigar filler.

Colombian tobacco exports consist entirely of dark air-cured leaf tobacco. Larger exports are expected in 1961.

TOBACCO, UNMANUFACTURED: Colombia, exports by country of destination, 1958-60

Destination	1958	1959	1960
	1,000 pounds	1,000 pounds	1,000 pounds
Germany, West	5,038	6,997	6,908
France	1,171	1,213	1,621
United States	--	13	1,531
Netherlands	795	907	1,092
Algeria	767	1,043	1,037
Morocco	386	29	446
West Indies Federation	--	--	356
Others	1,833	638	1,022
Total	9,990	10,840	14,013

Source: National Statistical Office.

NETHERLANDS TOBACCO IMPORTS RISE SHARPLY

Gross imports of tobacco, direct and withdrawals from bond, into the Netherlands in 1960 totaled 105.0 million pounds--up 41 percent from 1959.

The United States supplied 38.6 million pounds in 1960--36.8 percent of the total, compared with 22.2 million, or 29.7 percent, in 1959.

Imports from the Federation of Rhodesia and Nyasaland, as well as the United States, were stepped up sharply last year, probably in anticipation of the pending change-over from a low specific tariff to an ad valorem basis.

Other countries supplying more leaf tobacco to the Netherlands in 1960 than in 1959, included India, the Union of South Africa, Greece, and Canada.

TOBACCO, UNMANUFACTURED: Netherlands, gross imports by country of origin, 1958-60

Country of origin	1958	1959	1960
	1,000 pounds	1,000 pounds	1,000 pounds
United States	24,954	22,200	38,625
Rhodesias-Nyasaland	8,863	10,423	17,546
Brazil	8,194	8,523	8,071
Indonesia	9,722	10,611	6,859
Germany, West 1/	406	772	5,961
India	3,493	4,575	4,960
Union of South Africa	930	1,224	3,792
Italy	3,801	3,516	3,472
Greece	2,282	910	1,687
Cuba	2,923	2,405	1,305
Spain	1,455	1,486	1,038
Canada	503	375	833
Turkey	3,091	1,076	672
Other	6,282	6,647	10,211
Total	76,899	74,743	105,032

1/ Mainly reexports of Indonesian tobacco.

Maandstatistiek van de in-, uit-en doorvoer goederensoort.

ITALY'S CIGARETTE CONSUMPTION CONTINUES TO INCREASE

Italian consumption of cigarettes rose again in 1960, totaling 109.6 million pounds, compared with 104.4 million in 1959.

The increase in cigarette sales more than offset drops in use of cigars and cut tobaccos, resulting in total sales of all tobacco products last year at 120.8 million pounds, compared with 114.3 million in 1959.

Included in the figure for cigarette sales were more than 2 million pounds of imported brands--mainly from West Germany, the Netherlands, the United States, and Switzerland.

THAI CIGARETTE SALES
CONTINUE UPWARD

Sales of cigarettes in Thailand reached record highs in the first quarter of 1961. Sales, at 2,543 million pieces, exceeded the first quarter of 1960 by 6 percent.

Sales of Samit, a brand containing a high percentage of U.S. leaf, moved from 82 million pieces in January-March 1960 to 147 million in January-March 1961. Combined sales of Gold City, regular and king size, totaled 67 million pieces in the first quarter of this year, compared with 59 million a year ago. All of these brands are being extensively advertised under a joint market development program undertaken by the Thai Tobacco Monopoly, the U.S. trade, and the U.S. Department of Agriculture.

JAPAN'S TOBACCO IMPORTS UP

Japan's imports of unmanufactured tobacco in 1960 totaled 14.7 million pounds, compared with 12.5 million in 1959. The U.S. share of the market, however, dropped to 86 percent, from 97 percent the previous year. Greece and Turkey supplied most of the non-U.S. leaf tobacco in 1960.

AUSTRALIA EXPORTS BARLEY
TO COMMUNIST CHINA

Australia has made its first sale of barley to Communist China.

The Australian Barley Board has contracted to supply 320,000 long tons (14.9 million bushels) of 1960-61 crop barley. Shipments will consist of 300,000 tons (14 million bushels) of No. 3 standard and 20,000 tons (0.9 million bushels) of No. 4 standard. Export has begun and will be completed by August.

The Australian Barley Board, unlike the Wheat Board, is not a government organization. It is a grower-controlled board that sells, on behalf of the farmers, most of the commercially available barley produced in Victoria and South Australia.

Two similar boards operate in Queensland and Western Australia, although South Australia and Victoria are the main producing states.

Australian barley is sold on the domestic and foreign markets for the best price obtainable without any advance price guarantee to the growers.

There are no barley marketing organizations in New South Wales and Tasmania. Production in those states, however, is small.

U.S. MOHAIR EXPORTS RISE SHARPLY

U.S. exports of mohair, including wool like specialty hair, were 5,038,000 pounds from January through March--54 percent higher than in the same months of 1960.

Exports of mohair to the United Kingdom, the Netherlands, Belgium, and Japan increased sharply owing to lower U.S. prices and strong demand for blends with synthetics. Shipments to West Germany dropped from 118,000 pounds in January-March 1960 to 18,000 in January-March 1961. Italy and Switzerland took less mohair in the first quarter of 1961 than in the same period of the previous year.

Mohair makes up a small part of all apparel fibers used in the world. Export quantities and markets change rapidly with style and fashion changes. Increased use of blended synthetics may give emphasis to a strong world demand for mohair.

MOHAIR 1/: U.S. exports by country of destination, clean content, annual 1958 to 1960, January-March 1960 and 1961

Country	Annual			January-March		Increase (+) or decrease (-) 1961
	1958	1959	1960 2/	1960	1961	
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
United Kingdom	8,115	10,431	8,811	1,957	2,827	+870
Netherlands	3,046	4,407	1,670	462	662	+200
Belgium	854	1,148	836	162	468	+306
Japan	263	811	622	224	734	+510
Canada	247	193	404	100	142	+42
Italy	37	657	455	101	66	-35
Germany, West	369	627	293	118	18	-100
Switzerland	190	69	84	32	15	-17
Others	89	218	336	105	106	+1
Total	13,210	18,561	13,511	3,261	5,038	+1,777

1/ Includes other wool like specialty hair. 2/ Preliminary.

Bureau of the Census.

DOMINION WOOL PRICES INCREASE

Dominion wool prices have increased every month since January, but in April they still averaged 4 to 7 cents a pound lower than in April 1960.

Prices dropped in January to the lowest levels in several months. Increased European and Japanese demand, however, caused prices to climb as the selling season progressed. U.S. demand for wool has been below last year's, but there are indications that apparel wool imports will increase as the recovery in general business activity gains momentum.

WOOL: United Kingdom, c.i.f., average clean cost per pound, based on auction sales in Dominions 1/ and London, specific months

Grade	1960		1961			
	April	December	January	February	March	April
	U.S. dollars	U.S. dollars	U.S. dollars	U.S. dollars	U.S. dollars	U.S. dollars
70's	1.21	1.03	1.00	1.04	1.05	1.14
64's	1.16	.97	.96	1.00	1.02	1.09
60's	1.06	.89	.89	.93	.95	1.00
58's	.99	.86	.86	.91	.91	.97
56's	.96	.86	.86	.86	.85	.90
50's	.88	.78	.78	.81	.81	.83
48's	.82	.75	.75	.77	.75	.78
46's	.79	.74	.74	.75	.72	.75

1/ Includes Australia, New Zealand, and South Africa.

New Zealand Wool Commission (London Agency).

U.K. IMPORTS 13 PERCENT LESS LARD

Lard imports into the United Kingdom during the first 3 months of 1961 were 13 percent below the same period of 1960.

The United States, the largest supplier, filled about 72 percent of import requirements from January through March, which was considerably below the 83 percent supplied in the same period of the previous year. Lard imports from the United States in March were 49,837,000 pounds--74 percent larger than in March 1960.

European countries have found a ready market for lard in the United Kingdom because increased U.S. prices have made their products more competitive. France, Belgium, Denmark, and the Netherlands have each supplied a larger share of the market in the first 3 months of 1961 than in the same period of 1960.

(Continued on following page)

LARD: U.K. imports by country of origin and country percentage of total, January-March 1960 and 1961

Country of origin	January-March 1960		January-March 1961	
	Quantity	Percent of total	Quantity	Percent of total
	1,000 pounds	Percent	1,000 pounds	Percent
United States	96,355	82.6	73,144	72.4
France	11,375	9.8	14,587	14.4
Belgium	447	0.4	2,796	2.8
Denmark	3,496	2.9	3,930	3.9
Netherlands	2,549	2.2	2,946	2.9
Canada	1,348	1.2	307	0.3
Sweden	789	0.7	469	0.5
Other countries	227	0.2	2,847	2.8
Total	116,586	100.0	101,026	100.0

U.S. Packers Provisions Agents Committee.

ARGENTINE GRAIN EXPORTS CONTINUE DOWNWARD TREND

Argentine grain exports from July 1960 through March 1961, at 3.5 million metric tons, were 19.5 percent below the similar period of 1959-60.

Although corn exports in March were much higher than in February, shipments from July 1960 through March 1961, at 1.2 million tons, were only 52.6 percent of corn exports in the similar period of 1950-60. Shipments to Italy in the first 9 months of 1960-61 were 608,000 tons, compared with 878,000 in the corresponding period of 1959-60. Exports to other European markets also were down, while shipments to Japan dropped 137,000 tons. Exports are expected to increase in the next few months owing to a large harvest this year.

Wheat exports totaled 1.7 million tons--about 24.8 percent more than a year earlier. Brazil continued to be the major market, taking 684,000 tons--up 88,000 from last year. Another 344,000 tons went to the Western Jemisphere and most of the remainder to Western Europe. Shipments may go down in the next few months because of smaller production in 1960 and large 1961 sales that lowered export availabilities.

Exports of rye and oats were up 100,000 tons, while shipments of barley and sorghums were down 189,000 tons.

GRAIN: Argentine exports, July-March 1959-60 and July-March 1960-61

Country of destination	Wheat	Rye	Corn	Oats	Barley	Sorghums	Total
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
July-March 1959-60:							
United States	--	--	2,657	--	--	--	2,657
Canada	--	--	--	--	--	125	125
Brazil	596,150	--	--	3,089	6,143	--	605,382
Chile	50,000	--	--	--	--	--	50,000
Paraguay	56,620	--	--	--	--	--	56,620
Peru	86,088	--	2,210	--	--	--	88,298
Uruguay	10,870	500	840	2,001	7,985	--	22,196
Austria	20,965	8,029	3,300	160	--	150	32,604
Belgium-Luxembourg	25,384	2,372	210,355	4,847	1,186	23,807	267,951
Denmark	1,575	200	2,188	6,950	--	8,325	19,238
France	52,164	--	2,890	--	--	--	55,054
Germany, East	--	--	--	--	--	1,190	1,190
Germany, West	167,303	16,606	153,088	61,396	148,092	11,790	558,275
Italy	50,508	3,548	878,325	20,920	20,401	5,668	979,370
Netherlands	87,887	14,311	475,323	49,122	16,901	90,337	733,881
Norway	15,000	2,100	--	--	600	--	17,700
Sweden	--	1,200	3,650	2,650	--	235	7,735
Switzerland	6,565	--	14,546	1,400	--	--	22,511
United Kingdom	149,084	1,224	287,823	--	13,444	9,636	461,211
U.S.S.R.	--	--	--	--	5,140	--	5,140
Yugoslavia	--	--	--	--	--	250	250
Japan	--	--	277,057	--	--	--	277,057
Lebanon	26,065	--	--	--	1,350	--	27,415
South Africa	--	--	--	--	--	18	18
Total	1,402,228	50,090	2,314,252	152,535	221,242	151,531	4,291,878
July-March 1960-61:							
United States	--	--	70	--	--	--	70
Canada	--	--	--	--	--	100	100
Barbados	--	--	--	--	--	51	51
Bolivia	5,858	--	--	--	--	--	5,858
Brazil	684,431	--	--	6,064	--	--	690,495
Chile	125,093	--	--	5,350	--	--	130,443
Paraguay	56,732	--	--	--	--	--	56,732
Peru	148,537	--	--	--	--	--	148,537
Uruguay	--	--	8,729	143	--	--	8,872
Venezuela	7,350	--	--	6	--	--	7,356
Austria	4,200	9,845	1,790	--	--	725	16,560
Belgium-Luxembourg	25,820	1,620	92,648	2,300	--	12,725	135,113
Denmark	--	325	1,525	19,855	--	1,900	23,605
France	--	650	11,121	--	--	--	11,771
Germany, West	118,783	8,498	45,534	13,626	51,653	7,648	245,742
Italy	171,319	61,592	608,142	93,929	58,743	3,241	996,966
Netherlands	50,286	1,320	219,051	50,205	1,665	31,931	354,458
Norway	11,670	--	--	950	--	--	12,620
Portugal	38,424	--	--	4,600	--	--	43,024
Spain	75,434	--	--	--	--	--	75,434
Sweden	500	14,191	850	1,300	--	55	16,896
Switzerland	3,325	--	4,200	5,385	--	250	13,160
United Kingdom	164,018	--	81,336	--	--	12,519	257,873
Yugoslavia	1,300	--	--	--	--	--	1,300
Japan	--	--	139,837	--	--	--	139,837
Lebanon	46,131	--	--	--	736	--	46,867
Algeria	10,360	--	--	--	--	--	10,360
North Africa	--	--	2,528	--	--	--	2,528
South Africa	--	--	--	--	--	24	24
Total	1,749,571	98,041	1,217,361	203,713	112,797	71,169	3,452,652

Source: El Cerealista.

INDIAN MESTA PRODUCTION UP 2.6 PERCENT

The 1960 crop of Indian mesta is officially estimated at 458.8 million pounds, or 2.6 percent more than the 447.2 million in 1959.

The larger production was obtained from 1.4 percent less acreage--694,000 acres in 1960, compared with 704,000 in 1959. The 4-percent increase in average yield per acre resulted from favorable weather throughout the growing season in northeastern India.

A considerable drop in acreage in West Bengal, the State with the largest acreage, resulted in a slight drop in production in that area, despite attainment of higher yields than in any other area. West Bengal yields averaged nearly 888 pounds per acre in 1960, while the all-India average was only 661 pounds. Production also declined in Andra Pradesh, Mysore, and Gujarat, but held constant or increased in all other areas.

MEXICAN WINTER VEGETABLE SHIPMENTS

The following quantities of winter vegetalbes from the west coast of Mexico crossed the border at Nogales, Arizona, between May 1 and May 15 (in thousands of pounds with last year's figure in parentheses): cantaloupes, 12,466 (14,310); cabbage, 2 (0); cucumbers, 53 (362); garlic, 573 (620); green peppers, 97 (421); squash, 92 (44); snap beans, 187 (469); tomatoes, 5,503 (18,876); and watermelons, 14,502 (14,167).

U.S. EXPORTS OF HOG CASINGS CLIMB SLIGHTLY; OTHER NATURAL CASINGS FALL

U.S. exports of hog casings were slightly higher from January through March than in the same period of the previous year, but the decline in other natural casings (mostly cattle) more than offset this gain.

Most of the increase was accounted for by larger shipments to Canada, the Netherlands, Australia, West Germany, and New Zealand. Exports to the United Kingdom were considerably lower. New Zealand announced a plan to tighten import controls on casings effective April 13. Import applications for casings will be considered individually and will be permitted to the extent of genuine requirements.

U.S. exports of casings other than hog dropped about 15 percent in the first 3 months of 1961, compared with the same period of the previous year. Small increases to Norway, West Germany, Denmark, the Netherlands, and Canada were more than offset by a drop in shipments to Spain. During 1960, Spain was the leading market for other natural casings, taking almost 2.2 million pounds. Only 37,000, however, were purchased in the first quarter of 1961, apparently as a result of controls exercised by the Spanish Government.

SAUSAGE CASINGS, NATURAL: U.S. exports by country of destination, annual 1958-60, January-March 1960 and 1961

Country of destination	Annual			January-March		Increase (+) or decrease (-) 1961
	1958	1959	1960 1/	1960	1961	
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Hog casings:						
Canada	23	103	455	62	177	+115
United Kingdom	3,106	3,977	2,522	824	558	-266
Netherlands	650	1,016	635	173	337	+164
Belgium	545	896	639	214	182	-32
Germany, West	769	1,351	1,165	253	295	+42
Switzerland	207	452	668	185	147	-38
Spain	634	601	762	156	144	-12
Union of South Africa	411	430	579	137	136	-1
Australia	1,061	1,076	1,292	200	260	+60
New Zealand	546	661	399	112	150	+38
Others	327	454	191	26	121	+95
Total	8,279	11,017	9,307	2,342	2,507	+165
Other animal casings 2/:						
Canada	303	293	379	95	106	+11
Cuba	133	125	44	44	0	-44
Sweden	29	25	18	4	2	-2
Norway	761	634	335	17	97	+80
Denmark	56	115	63	4	33	+29
United Kingdom	151	285	221	98	58	-40
Netherlands	320	352	404	59	71	+12
Belgium	198	199	178	55	17	-38
Germany, West	1,650	1,783	953	241	285	+44
Switzerland	1,499	1,685	1,579	484	478	-6
Spain	3,063	1,629	2,154	321	37	-284
Others	245	269	350	65	84	+19
Total	8,408	7,394	6,678	1,487	1,268	-219

1/ Preliminary. 2/ Casings not elsewhere classified, mainly beef.

Bureau of Census.

U. S. AND COMPETING CANNED FRUIT
PRICES IN THE NETHERLANDS COMPARED

Dutch price quotations, which are importers' selling prices--import duties and taxes paid--of selected canned fruits, in March were slightly below those of January. This price reduction was due mainly to the revaluation of the Dutch guilder.

Type and quality	Units per doz.	Netherlands price Jan. 1961	Netherlands price Mar. 1961	Origin
	Cans	U. S. dollars		
CANNED FRUIT				
Apricots:				
Halves, fancy	No. 300	2.98	2.82	Canada
Halves, choice	No. 2½	5.67	5.30	United States
Halves, standard	No. 2½	4.94	4.64	United States
Halves, standard	No. 303	3.02	2.98	United States
Peaches:				
Halves, choice	No. 2½	4.24	4.14	United States
Halves, choice	No. 300	2.88	2.82	United States
Halves, choice, freestones	No. 300	2.82	2.75	Canada
Halves, standard, clingstone	No. 2½	--	3.91	United States
Halves, standard, clingstone	No. 303	2.75	2.69	United States
Halves, standard	No. 10	13.76	13.26	United States
Halves, 100% Orellons	5 kilo	19.72	20.22	Spain
Quarters, white	No. 300	2.88	2.82	Japan
Quarters, white	11 oz.	2.22	2.15	Japan
Slices, choice	8 oz.	1.92	1.86	United States
Slices, standard	No. 2½	4.01	3.91	United States
Slices, standard	No. 10	13.76	13.26	United States
Pears:				
Bartletts, halves, choice	8 oz.	--	2.33	United States
Bartletts, halves, standard	No. 2½	--	5.14	United States
Bartletts, halves, standard	No. 303	--	3.58	United States
Fruit cocktail:				
Choice, in heavy syrup	No. 2½	5.47	5.34	United States
Choice	No. 2½	5.17	5.04	United States
Choice	No. 303	--	3.48	United States
Choice	No. 10	16.91	16.41	United States
Pineapple:				
Slices, fcy, extra hvy sirup	No. 2½	5.70	5.64	United States
Slices, choice, heavy sirup	No. 2½	4.64	4.57	United States
Slices, standard, light sirup	No. 2½	4.38	4.28	United States
Whole, sliced	No. 10	--	14.75	Cuba
Grapefruit sections	No. 303	--	3.28	United States
Mandarin oranges:				
Fancy, small	11 oz.	--	2.49	Japan
1/ , small	11 oz.	2.49	2.45	Japan
1/	No. 2½	--	6.46	Japan
1/	No. 10	22.38	21.71	Japan
Cherries, red sour:				
Pitted	No. 10	--	19.89	United States
Without pits	3.1 kilo	15.91	14.09	Belgium

1/ Not specified.

SPAIN'S 1960-61 ESTIMATE OF TABLE OLIVE PRODUCTION INCREASED

Spain's 1960-61 exportable table olive pack--estimated at 45,500 short tons--is about 10 percent larger than originally predicted, accordint to Spanish trade sources.

Although production of the Manzanilla variety is well above earlier estimates and the quantity of Gordal (Queens) and other exportable varieties is only slightly down, total supplies are still greatly below 1959-60, particularly for Queens. Quality and fruit sizes this year are reportedly better than last year.

TABLE OLIVES: Spain, supply and distribution 1959-60 and 1960-61, year beginning November 21.

Item	1959-60	1960-61 Estimate
	Short tons	Short tons
Beginning stocks, November 21	2,500	--
Production of exportable varieties		
Manzanillas	24,000	23,000
Gordals (Queens)	27,000	12,500
Other types	12,000	10,000
Total	63,000	45,500
Total supply	65,500	45,500
Exports	57,600	40,000
Domestic consumption	7,900	5,500
Ending stocks, November 20	--	--
Total distribution	65,500	45,500

Spanish exports from November 21, 1959, through November 20, 1960, amounted to 57,595 short tons. Shipments to the United States, the largest buyer, totaled 49,470 tons; Brazil and Canada ranked second and third with 3,970 and 3,688 tons, respectively. Shipments in 1958-59 were 44,744 tons. Exports in 1960-61 are forecast at about 40,000 tons.

AUSTRALIA SELLS MORE WHEAT TO COMMUNIST CHINA

The Australian Wheat Board recently sole 750,000 long tons (28 million bushels) of wheat to Communist China.

The wheat, which will be shipped between July 1 and November 15, was sold on a short-term credit basis, with 10-percent cash on shipment, 40 percent due in 6 months, and the balance in 12 months. The quantity is subject to an increase or reduction of 10 percent.

An additional sale of 250,000 tons (9.3 million bushels) is being negotiated, with delivery tentatively scheduled during November and December.

Australia previously sold 1,050,000 tons (39.2 million bushels) of wheat and 40,000 tons (896,000 cwt.) of flour to China for cash. Shipment will be completed by the end of June.

Farmers must sell all of their commercially available wheat to the Australian Wheat Board, a government organization. The board resells the wheat at a fixed price for domestic consumption and for export at the best prices obtainable (Foreign Crops and Markets, May 22, 1961).

U.S. EXPORTS OF HIDES AND SKINS
CONTINUE RECORD PACE

U.S. exports of hides and skins from January through March gained 42 percent from a year earlier. All classes climbed sharply, with calfskins making the largest percentage increase and cattle hides the biggest absolute gain.

Japan, the leading cattle hide market, took 80 percent more than a year earlier. This gain, plus increases to most other markets, easily offset a sharp decline in the Netherlands, second ranking outlet, and a few other principal markets--the U.S.S.R., Italy, and the United Kingdom. Total cattle hide exports were up 32 percent. Kip skin shipments gained 48 percent as West Germany and Japan, the two leading markets, sharply increased their takings.

Calfskin exports from January through March increased 70 percent from the first quarter of 1960. These exports gained to every principal market except West Germany where they fell less than 2 percent. The biggest increases were to Japan, Italy, and Switzerland. Shipments to Canada, long the leading U.S. market, were up 22 percent.

Sheep and lamb skin exports gained 51 percent with sharp increases to Canada and the United Kingdom.

The major reason for the boom in U.S. exports was substantially greater demand in principal foreign markets, without matching increases in exports from other main suppliers--Argentina, Australia, New Zealand, and Canada. U.S. production of cattle hides during the quarter increased from a year earlier, and prices were slightly lower. Output of calf and kip skins was off slightly from last year, but prices remained stable until mid-March and foreign demand was strong enough to draw these items into export channels.

Production and export of all classes during the remainder of 1961 are expected to continue higher than a year ago.

HIDES AND SKINS: U.S. exports by country of destination, annual 1958-60 and January-March 1960-61

Country of destination	Annual 1958	Annual 1959	Annual 1960 1/	January-March 1960	January-March 1961	Increase (+) or decrease (-) 1961
	1,000 pieces	1,000 pieces	1,000 pieces	1,000 pieces	1,000 pieces	1,000 pieces
Cattle hides:						
Japan	1,438	1,083	2,392	486	876	+390
Netherlands	869	568	1,280	395	248	-147
Germany, West	615	629	631	169	188	+19
Mexico	330	503	564	133	151	+18
Canada	580	591	504	153	208	+55
U.S.S.R.	62	14	298	63	0	-63
Turkey	200	137	217	56	123	+67
Italy	154	60	162	32	26	-6
Poland	295	92	85	8	17	+9
Yugoslavia	195	139	80	7	38	+31
United Kingdom	167	47	58	26	14	-12
Other countries	493	292	618	122	293	+171
Total	5,398	4,155	6,889	1,650	2,182	+532
Calfskins:						
Canada	671	573	552	137	167	+30
Japan	404	178	321	54	178	+124
Italy	249	205	266	55	127	+72
Netherlands	250	129	156	62	84	+22
Germany, West	361	150	115	42	41	-1
United Kingdom	45	13	75	31	49	+18
Switzerland	126	26	64	22	75	+53
France	143	24	13	8	11	+3
Other countries	104	116	85	28	13	-15
Total	2,353	1,414	1,647	439	745	+306
Kipskins:						
Germany, West	251	128	142	24	42	+18
Japan	186	95	123	13	52	+39
Netherlands	108	127	55	35	32	-3
Belgium	22	23	23	0	3	+3
United Kingdom	10	4	16	13	6	-7
Canada	10	4	5	2	8	+6
Other countries	128	102	118	19	14	-5
Total	715	483	482	106	157	+51
Sheep and lamb 2/:						
Canada	502	799	946	112	185	+73
United Kingdom	412	606	628	98	213	+115
Mexico	108	131	153	21	12	-9
Sweden	95	120	105	32	24	-8
France	10	9	25	7	11	+4
Germany, West	48	37	16	14	13	-1
Other countries	190	225	484	104	129	+25
Total	1,365	1,927	2,357	388	587	+199

1/ Preliminary. 2/ Includes goat and kid skins.

Bureau of the Census.

SPAIN EXPECTS LARGE
ALMOND CROP

Spain may harvest a 1961 almond crop of 35,000 short tons, shelled basis, according to a consensus of estimates of the Spanish trade; this would represent the largest commercial almond crop in Spain on record. The weather this spring was ideal for blossoming and fruit development.

The 1960 crop is now estimated at 30,000 tons, and the average from 1954 through 1958 is 21,100.

Stocks on September 1 are forecast at 6,500 tons, shelled basis, compared with 8,000 on September 1, 1960, and 10,000 on September 1, 1959. Estimates of stocks, however, are subject to considerable error.

Export prices in recent weeks have been relatively firm; but the general trend has been downward as shown by the following table.

ALMONDS, SHELLED: Spain, export prices,
f.o.b., net basis

Type	Nov. 25, 1960	1961	
		Feb. 17	May 5
Valencias, unselected.......	49.4	50.5	47.2
Valencias, selected - 19/21	51.4	52.4	49.3
do. 23/25.	51.0	51.6	49.0
do. 27/30.	50.3	52.1	48.5
Larguettas - 16/18..........	51.9	53.1	51.5
do. 18/20..........	51.5	52.7	51.1
do. 22/24..........	50.3	51.5	49.9
Marconas - 18/20............	52.7	56.8	56.0
do. 20/22............	52.3	56.4	55.1
do. 22/24............	51.9	55.6	54.4

Spanish exports in 1959-60, according to the latest information, amounted to 27,300 tons, shelled basis. Total exports in 1960-61 are forecast at 25,000 tons.

IRAQI DATE EXPORTS UP

Iraq reportedly exported 205,818 short tons of 1960-crop dates between September 1, 1960, and March 9, 1961.

This figure is substantially more than the 173,551 tons exported between September 1, 1959, and March 1, 1960. In addition to 1960-crop exports, 8,852 tons of old-crop dates were exported in the 1960-61 period for animal feed and industrial use.

The Iraqi Date Association has contracted with East Germany for the installation of 14 automatic date packing machines in the southern and central areas of the country. Installation is to be completed by June 1961.

YUGOSLAV CHERRY PRODUCTION TO RISE

Favorable weather has greatly benefited Yugoslavia's 1961 sour and sweet cherry crops.

Sour cherry production is unofficially estimated at 35,000 short tons, compared with 31,000 in 1960. These estimates include the Maraska sour cherry harvest, which is expected to be an average crop about the size of last year's 2,200-ton outturn. Sweet cherry production is unofficially estimated at 66,000 tons, compared with 50,000 last year.

Yugoslav exports of dried Maraska sour cherries from January through September 1960 amounted to 82 tons, compared with 187 in the same period of 1959. Most go to the United States. The average export price in 1960 was $653 per ton, f.o.b. Yugoslav border--about the same as in 1959.

DRIED MARASKA CHERRIES: Yugoslav exports, by country of destination, January-September 1959 and 1960

Country of destination	1959	January-September	
		1959	1960
	Short tons	Short tons	Short tons
Germany, West	6	6	--
Italy	15	15	--
Netherlands	56	45	22
United States	163	121	60
Total	240	187	82

USE OF EDIBLE FATS AND OILS UP SLIGHTLY IN PERU

Peruvian consumption of edible fats and oils will rise to some extent in 1961.

Domestic production is forecast at 44,000 short tons, while imports are expected to be about 33,000. Including stocks as of January 1, total supply is expected to reach 83,000 tons--up 3 percent from the previous year.

About two-thirds of Peru's output of edible fats and oils is vegetable--all cottonseed oil. The balance is animal fats--with output equally divided

among lard, butter, and fish oils. Most of the fish oil produced, about 44,000 tons in 1960, is exported to Europe.

Imports of edible fats and oils heavily favor animal fats, with lard usually comprising two-thirds of the total and vegetable oils about one-fifth. Some butter is also imported each year. Peru does not export edible oils as such, but a large quantity of fish oil requiring further processing for edible uses is exported annually.

Consumption of edible fats and oils may reach 77,000 tons in 1961--up slightly from the previous year. With this disappearance, Peruvians would use about 14.3 pounds per capita.

The Peruvian Government in early 1961 increased the import duties on all fats and oils by 90 centavos per kilogram (about 1½ U.S. cents per pound). Because the same amount of tax is also levied on domestic production of cottonseed oil, the retail price level of vegetable oils is expected to rise.

Peru has recently been test-growing several U.S. varieties of peanuts for commercial production, and a limited acreage is expected in 1961.

PROSPECTS BRIGHTER FOR BRAZIL'S FATS AND OILS INDUSTRY

Brazil's fats and oils industry can look forward in 1961 to a considerably increased production, higher per capita consumption, and a general leveling off of prices.

The industry in 1960 sustained limited increases in production, lower per capita consumption, and higher prices.

Increases in domestic oilseed production and vegetable oil outturn in 1960 accounted for most of the gain. Because of favorable prices paid to producers, acreage of the principal oilseed crops--cottonseed, peanuts, and soybeans--has expanded greatly in recent years, and in 1961 the output of vegetable oils will approximate nearly half the total production of edible fats and oils.

Production of animal fats and oils decreased substantially in 1960, and only a moderate increase is forecast for this year.

Record peanut and soybean crops are forecast for 1961. High prices and favorable weather may result in a peanut crop of 595,000 tons--up nearly 40 percent from the previous year, and soybean output may total 275,000 tons-- up nearly 30 percent. Production of cottonseed, the major oilseed crop of Brazil, is not expected to change materially from the 866,000-ton output estimated for 1960.

Although total domestic disappearance of edible fats and oils rose slightly in 1960, per capita consumption was slightly lower. The forecast for 1961 indicates a relatively large gain in total and per capita consumption will be possible. Brazil's per capita average, however, will still be low by international standards. Per capita disappearance of edible fats and oils, at 17.6 pounds in 1959, dropped to 17.4 in 1960, but is forecast at 18.1 for 1961.

In 1960, and to some extent in the preceding year, large quantities of edible fats and oils were used for industrial purposes and edible consumption was actually lower than indicated by domestic disappearance. Less edible fats and oils probably will be used industrially in 1961 because inedible output is expected to increase sharply.

Beyond 1961, production of most oilseeds probably will continue to increase. Although output of animal fats and oils is expected to rise only slightly this year, livestock, and consequently animal fat, production may enter a period of steady expansion. This outlook is based largely on appraisals of agricultural and economic policies of Brazil's present administration. Present plans are to discourage the production of low-quality coffee, thereby freeing the land for other crops, including cotton and peanuts, or livestock.

EDIBLE FATS AND OILS: Brazil's supply and distribution, annual 1959 and 1960, and forecast 1961

Item	1959		1960 1/		Forecast 1961	
	Vegetable	Total	Vegetable	Total	Vegetable	Total
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Supply:						
Stocks, January 1	30	85	21	56	24	46
Production	209	518	254	538	293	589
Imports	9	9	13	13	5	5
Total supply	248	612	288	607	322	640
Distribution:						
Consumption	227	556	264	561	290	593
Stocks, December 31	21	56	24	46	32	47
Total distribution	248	612	288	607	322	640

1/ Preliminary, partly estimated.

Compiled from official and other sources.

MOZAMBIQUE'S OILSEED PRODUCTION MAY INCREASE SLIGHTLY

Mozambique's oilseed production in 1961 is expected to be slightly larger than the 193,000 short tons estimated to have been produced in 1960. The peanut crop should be about 40,000 tons, and cottonseed output should about equal last year's.

OILSEEDS AND VEGETABLE OILS: Mozambique's commercial production, annual 1957-60

Commodity	Oilseed 1/		Vegetable oil 2/		
	1959	1960	1957	1958	1959
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Peanut	38.6	35.3	5.1	3.3	3.6
Cottonseed	98.7	96.5	3.9	4.9	4.2
Sesame seed	---	---	.7	1.6	.4
Copra	49.6	49.6	11.2	4.9	4.7
Sunflower seed	3.3	3.3	---	---	---
Mafurra seed	5.5	5.5	2.5	2.0	2.2
Castor bean	2.6	2.8	.1	3/	3/
Total	198.3	193.0	23.5	16.7	15.1

1/ Unofficial estimates of commercial oilseed supplies based on reported oil production, export data, and trade information. 2/ Board of Vegetable Oil Industries. 3/ Less than 500 tons.

Mozambique is an important net exporter of oilseeds and oilseed products. About 55,000 tons of oil-bearing materials, largely copra and cotton-seed; 9,300 of vegetable oils, largely peanut and coconut; and 25,500 of oilcakes, largely cottonseed, were exported in 1959 (latest calendar year data available). Imports consisted of only about 1,075 tons of vegetable oils, mainly olive oil, and 1,055 tons of fats and oils of animal origin.

A large portion of the exports goes to Portugal, but substantial quantities go to other European and African countries.

Most of Mozambique's oil-crushing industry is located in the southern part of the province, in and around Lourenco Marques.

EGYPTIAN EDIBLE OIL SUPPLY MAY RISE SLIGHTLY

Egypt's supply of edible vegetable oils in 1961 is estimated at 171,000 short tons--3 percent larger than last year. The increase will be due mainly to larger imports.

EDIBLE OILS: Egypt's supply and distribution, 1959-60 and forecast 1961

Item	1959	1960	Forecast 1961
	1,000 short tons	1,000 short tons	1,000 short tons
Supply:			
Beginning stocks, January 1	22.1	22.1	22.2
Production	116.4	122.9	121.3
Imports	7.8	21.4	27.6
Total supply	146.3	166.4	171.1
Distribution:			
Exports	1.8	2.0	2.2
Consumption	122.4	142.2	148.8
Closing stocks, December 31	22.1	22.2	20.1
Total distribution	146.3	166.4	171.1

Production of oilseed crops--cottonseed, sesame seed, peanuts, and flaxseed--totaled 1,044,430 tons in 1960, 5 percent more than a year earlier. Commercial cottonseed production, at 978,400 tons, accounted for 94 percent of the total and almost 90 percent of the increase from 1959. Vegetable oil output from domestically grown seeds was 136,795 tons, of which 122,900 was edible and the remainder inedible oil.

Vegetable oil imports of 31,890 tons in 1960, of which 21,385 were edible oils, consisted principally of 18,739 tons of soybean oil from the United States under Public Law 480. Oilseed imports of 8,817 tons consisted mainly of 6,972 tons of sesame seed, virtually all from the Sudan.

Egypt annually exports a sizable quantity of peanuts--11,231 tons in shell basis and 3,031 shelled basis in 1960--and a small quantity of cottonseed oil--1,939 tons in 1960. Peanut exports last year went mainly to Czechoslovakia, Switzerland, and Canada while the cottonseed oil went to Saudi Arabia and Iran.

Per capita consumption of edible oils in Egypt, which was 10.9 pounds in 1960, compared with 9.5 in 1959, is expected to reach 11.4 pounds in 1961.

Cottonseed oil is the most widely used edible oil because of its relatively lower price compared with prices of other oils. Edible cottonseed oil and cake are rationed and under price control. Each person is allowed one-half oke (1.4 pounds) of cottonseed oil per month. Consumers, however, may obtain additional quantities from the free market at a higher price.

Egypt's 5-year plan, starting July 1960, calls for increasing oil production at an annual rate of 17,600 tons. This plan is reflected in the following projects:

1. Introduction of modern techniques into the industry by (a) adopting the process of cottonseed decortication before pressing, and (b) adopting the centrifugal method of oil extraction instead of the present tank refining.
2. The construction of 4 modern cottonseed stores to save loss that results from decomposition of the oil in poor storage facilities.
3. The establishment of 4 factories for oil extraction from rice bran for both edible purposes and the soap industry.
4. Expansion of area under peanuts and castor beans. A factory for extraction of castor oil also is scheduled to be established.

SMALLER COTTON CROP INDICATED IN MEXICO

Preliminary reports on cotton acreage planted in Mexico indicate a small decrease in Mexican cotton production in 1961.

The area planted is reported at about 2,100,000 acres, nearly 6 percent below the 2,228,000 of 1960. Acreage declines are expected in all major regions, led by a 67,000-acre drop in Matamoros as a result of some shifting to corn and sorghum, 50,000 acres in Sinaloa due to high production costs and low returns from the 1960 crop, and 24,000 acres in the Laguna region because of a shortage of irrigation water. These declines are partly offset by an expected acreage increase in the State of Sonora, while the total acreage in other regions remains about unchanged.

Early government and commercial estimates place the 1961 Mexican crop at about 2,000,000 bales, compared with the 1960 harvest of 2,100,000. The crop, now approaching the fruiting stage in early areas, is making good progress, although insects are beginning to appear.

Cotton exports from Mexico totaled 1,301,000 bales during the first 8 months (August-March) of the 1960-61 season, up 16 percent from exports of 1,123,000 bales during the corresponding period of 1959-60. Quantities exported direct to major destinations during this period, with comparable 1959-60 figures in parentheses, were: Japan 448,000 (335,000); France 38,000 (8,000); West Germany 37,000 (32,000); Panama 34,000 (34,000); Spain 31,000 (14,000); The United States 31,000 (38,000); the United Kingdom 10,000 (11,000); and others 22,000 (41,000). In addition to direct exports, Mexico transshipped almost half of its exports through U.S. ports. Transshipments totaled 401,000 bales during the August-December period,

compared with 486,000 bales a year earlier. (See Foreign Crops and Markets, May 23, 1961, for destination of transshipments.)

Estimated total exports of about 1,575,000 bales for the 1960-61 season, if reached, will exceed last season's shipments by about 270,000 bales, or 21 percent, and will be the third largest exports of Mexican cotton on record. Included in the above figures for this season will be 30,000 to 35,000 bales of Mexican cotton entering the United States as picker lap and not shown in the U.S. statistics on cotton imports.

Movement of this quantity of cotton from Mexico during the current season, at prices that have been rising gradually in import markets for nearly 2 years, will reduce stocks at the end of the season to minimum levels. In fact, substantial quantities of Mexican cotton out of the new (1961-62) crop have been sold for domestic consumption and for export beginning in July.

Consumption of cotton in Mexico during the 1960-61 season is now estimated at about 500,000 bales, some 20,000 bales, or 4 percent, above last season's use, and the largest on record for the country. Some of the increase this season resulted from exports to Indonesia of yarn and cloth equivalent to about 35,000 bales of cotton.

Other developments in Mexico include a reduction in the cotton export tax for cotton produced in the States of Sonora and Sinaloa from 16 percent to 13 percent, except for the northwestern section of Sonora, where the tax will continue at 10 percent.

Average prices at which Mexican and other upland growths of cotton were offered, c.i.f. Liverpool, in May of 1960 and 1961 are shown in the following table:

Country	Quality	Average price, May	
		1960	1961
		U.S. cents per pound	
Mexico	Middling 1-1/32"	1/ 28.01	1/ 29.52
United States	" "	2/ 27.77	1/ 28.47
Nicaragua	" "	2/ 27.14	2/ 28.64

1/ For shipment August-September. 2/ For prompt shipment.

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NEW COFFEE POLICY
ADOPTED BY BRAZIL

Brazil adopted a new coffee policy on May 14.

The policy, which differs considerably from those of previous years, is definitely an attempt to improve quality and discourage inefficient production. The principal provisions of the new plan are:

1. Foreign exchange from coffee exports will be negotiated at the free market rate on the day of sale, with a deduction or "contribution quota" of U.S. $22 for (a) each 60-kilo bag (132.276 pounds) of green coffee or (b) each 48 kilos (105.82 pounds) of roasted or ground coffee. The export tax will be U.S. $22 regardless of quality.

2. The tax on 1960-61 coffee or that from previous crops exported after May 16 will be $24 per bag for coffee produced in some areas of the country and $26 per bag for coffee produced in other areas.

3. All foreign currencies earned from coffee exports will be fully negotiated on the day of sale.

4. A separate coffee account will be held by the Superintendency of Money and Credit (SUMOC), and the export tax will be used for the purchase of unexportable coffee to cover expenses of the Brazilian Coffee Institute (IBC).

5. IBC will not begin to buy unreleased exportable coffee from the 1961-62 crop until March 1, 1962.

6. Producer prices for unexportable coffee of the 1961-62 crop will be cr $1,700 per bag for grade 7 and cr $1,600 per bag for grade 8, compared with cr $4,950 and cr $2,000, respectively, for the 1960-61 crop.

7. No "expurgo quota" will be issued. Only coffee that will be grade 8 or better will be purchased.

8. The Bank of Brazil will finance up to 80 percent of the value per bag of exportable coffee only. This financing will be for a 120-day term, not to be extended.